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### BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

3 IN THE MATTER OF THE 4 APPLICATION OF ARIZONA PUBLIC 5 SERVICE COMPANY, IN Docket No. L-00000D-09-0161-00143 CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA 6 Case No. 143 REVISED STATUTES §§40-360, et seq., 7 FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY **AUTHORIZING THE BAGDAD 115kV** 8 TRANSMISSION LINE RELOCATION PROJECT, WHICH INCLUDES THE RELOCATION OF A 115kV ARIZONA PUBLIC SERVICE COMPANY'S NOTICE OF TRANSMISSION LINE BETWEEN AN FILING PROPOSED FORM 10 OF CERTIFICATE OF **EXISTING CAPACITOR BANK** STATION, 0.5 MILES WEST OF THE **ENVIRONMENTAL** 11 UNINCORPORATED TOWN OF **COMPATIBILTY** BAGDAD, YAVAPAI COUNTY, 12 ARIZONA, AT SECTION 10, TOWNSHIP 14 NORTH, RANGE 9 WEST. 13 Arizona Compration Commissions G&SRB&M, AND AN EXISTING MINE 1 SUBSTATIÓN, THREE MILES 14 177 NORTHWEST OF THE UNINCORPORTED TOWN OF BAGDAD. 15 YAVAPAI COUNTY, ARIZONA, AT SECTION 3 TOWNSHIP 15 NORTH, 16 DOCKETED BY RANGE 9 WEST, G&SRB&M

#### ARIZONA PUBLIC SERVICE COMPANY'S NOTICE OF FILING PROPOSED FORM OF CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to Paragraph 16 of Chairman Foreman's April 8, 2009 Procedural Order, Arizona Public Service Company ("APS") files a proposed form of Certificate of Environmental Compability, findings of fact, and conclusions of law. (Exhibit 1) Consistent with Paragraph 17 of the Procedural Order, APS files a document showing the comparison of the conditions proposed in this case with the conditions adopted by the

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1	Arizona Corporation Commission and the Arizona Power Plant and Transmission Line		
2	Siting Committee in Case No. L-00000D-07-0682-00136. (Exhibit 2)		
3	RESPECTFULLY submitted this 8 <sup>th</sup> day of May, 2009.		
4	LEWIS AND ROCA LLP		
5			
6	Thomas IV Carbarball		
7	Thomas H. Campbell Albert Acken		
8	40 N. Central Avenue		
	Phoenix, Arizona 85007		
9	Attorneys for Arizona Public Service Company		
10	ORIGINAL and twenty-five (25) copies		
11	of the foregoing filed this 8 <sup>th</sup> day		
12	of May, 2009, with:		
13	The Arizona Corporation Commission Utilities Division – Docket Control		
14	1200 W. Washington Street		
15	Phoenix, Arizona 85007		
16	COPY of the foregoing mailed/hand-		
17	delivered this 8 <sup>th</sup> day of May, 2009, to:		
18	John Foreman, Chairman		
19	Arizona Power Plant and Transmission Line Siting Committee Office of the Attorney General		
20	PAD/CPA		
	1275 W. Washington Street		
21	Phoenix, Arizona 85007		
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# EXHIBIT 1

### BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§40-360, et Docket No. seq., FOR A CERTIFICATE OF L-00000D-09-0161-00143 ENVIRONMENTAL COMPATIBILITY Case No. 143 **AUTHORIZING THE BAGDAD 115kV** TRANSMISSION LINE RELOCATION PROJECT. WHICH INCLUDES THE RELOCATION OF A 115kV TRANSMISSION LINE BETWEEN AN EXISTING CAPACITOR BANK STATION, 0.5 MILES WEST OF THE UNINCORPORATED TOWN OF BAGDAD, YAVAPAI COUNTY, ARIZONA, AT SECTION 10, TOWNSHIP 14 NORTH, RANGE 9 WEST, G&SRB&M, AND AN EXISTING MINE SUBSTATION, THRÉE MILES NORTHWEST OF THE UNINCORPORTED TOWN OF BAGDAD, YAVAPAI COUNTY, ARIZONA, AT SECTION 3 TOWNSHIP 15 NORTH, RANGE 9 WEST, G&SRB&M

#### CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") held public hearings on May 18 and 19, 2009, all in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case (the "Project").

The following members and designees of members of the Committee were present at one or more of the hearings for the evidentiary presentations and/or for the deliberations:

Hon. John Foreman

Chairman, Designee for Arizona Attorney General, Terry Goddard

$\begin{bmatrix} 1 \\ 2 \end{bmatrix}$	David L. Eberhart, P.E.	Designee for Chairman, Arizona Corporation Commission	
3	Jessica Youle	Designee for Director, Energy Department, Arizona Department of Commerce	
4			
5	Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality	
6	Gregg Houtz	Designee for Director, Arizona Department of Water Resources	
7			
8	Jeff McGuire	Appointed Member	
9	William Mundell	Appointed Member	
10	Patricia Noland	Appointed Member	
11	Michael Palmer	Appointed Member	
12	Michael Whalen	Appointed Member	
13	Barry Wong	Appointed Member	
14	The Applicant was represented by Thomas H. Campbell and Albert H. Acken of		
15	Lewis and Roca LLP. No parties requested intervention.		
16	At the conclusion of the hearings, the Committee, having received the Application,		
17	the appearances of the parties, the evidence, testimony and exhibits presented at the		
18	hearings, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13,		
19	upon motion duly made and seconded, voted to to grant the Applicant this		
20	Certificate of Environmental Compatibility (Case No. 143) for the Project.		

The Project as approved consists of approximately five miles of 115kV transmission line to be relocated approximately one mile south of the existing location. The Project originates at an existing capacitor bank station, located 0.5 miles west of the Town of Bagdad in Section 10, Township 14 North, Range 9 West, G&SRB&M. The Project terminates at an existing mine substation, located 3 miles northwest of the Town of Bagdad, in Section 31, Township 15 North, Range 9 West, G&SRB&M. The total right-

of-way width is 100 feet within a corridor that is 200 feet wide. A general location map of the Project is set forth in **Exhibit A**.

#### **CONDITIONS**

This Certificate is granted upon the following conditions:

- 1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.
- 2. The Applicant shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Yavapai, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to commence construction of the Project shall expire seven years from the date the Certificate is approved by the Commission; provided, however, that prior to such expiration the Applicant or its assignees may request that the Commission extend this time limitation.
- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken.
  Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.
- 5. To the extent applicable, the Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law and shall, to the extent feasible, minimize the destruction of native plants during Project construction.

- 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum pursuant to A.R.S. § 41-865.
- 7. The Applicant shall design the transmission lines to incorporate reasonable measures to mitigate impacts to raptors.
- 8. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
- 9. In the event that the Project requires an extension of the term of this Certificate, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding, and all parties to this proceeding of the request and the time and place of the hearing in which the Commission will consider the request for extension.
- 10. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where practicable, the Plan shall specify that the Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, and revegetate native areas following construction disturbance.

- 11. The Applicant shall provide copies of this Certificate to Yavapai County Planning Division, the Arizona State Land Department, the State Historic Preservation Office, and the Arizona Game and Fish Department.
- 12. Applicant will follow the latest Western Electricity Coordinating Council/ North American Electric Reliability Corporation Planning standards as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.
- 13. The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to ACC Docket Control on December 1 beginning in 2009. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office. The requirement for the self-certification shall expire on the date the Project is placed into operation.

#### FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
- 2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC by the Committee effectively minimize its impact on the environment and ecology of the state.
- 3. The conditions placed on the CEC by the Committee resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised.

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4. In light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

John Foreman, Chairman

# EXHIBIT 2

#### **CONDITIONS**

This Certificate is granted upon the following conditions:

- 1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.
- 2. The Applicant shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Pinal Yavapai, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to commence construction of the Project shall expire seventeen years from the date the Certificate is approved by the Commission; provided, however, that prior to such expiration the Applicant or its assignees may request that the Commission extend this time limitation.
- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.
- 5. The To the extent applicable, the Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law and shall, to the extent feasible, minimize the destruction of native plants during Project construction.
- 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State

Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum pursuant to A.R.S. § 41-865.

- 7. The Applicant shall design the transmission lines so asto incorporate reasonable measures to mitigate impacts to raptors.
- 8. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
- 9. Within 120 days of the Commission decision granting this Certificate, Applicant will post signs in public rights of way giving notice of the Project corridor to the extent authorized by law. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. To the extent practicable, within 45 days of securing easement or right of way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The signs shall advise: In the event that the Project requires an extension of the term of this Certificate, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding, and all parties to this proceeding of the request and the time and place of the hearing in which the Commission will consider the request for extension.

- 9(a) That the site has been approved for the construction of Project facilities;
- (b) The expected date of completion of the Project facilities;
- (c) A phone number for public information regarding the Project;
- (d) The name of the Project;
- (e) The name of the Applicant; and
- (f) The Applicant's website.

Sign placement will be reported annually in accordance with Condition 16.

- 10. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where practicable, the Plan shall specify that the Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, and revegetate native areas following construction disturbance.
- 11. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.
- 11. 12. The Applicant shall provide copies of this Certificate to Pinal Yavapai

  County Planning and Development Division, the Arizona State Land

  Department, the State Historic Preservation Office, and the Arizona Game and Fish Department.
- 13. Prior to the date this transmission line is put into commercial service, the

  Applicant shall provide known homebuilders and developers within one mile

  of the center line of the Certificate route the identity, location, and a pictorial

  depiction of the type of power line being constructed, accompanied by a

- written description, and encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.
- 14. The Applicant will not construct the Project on any portion of the existing Pinal County Fairgrounds, a 120+/- acre parcel, owned by Pinal County, described as N1/2 SE 1/4 and the SE1/4 NE1/4 Section 25, T6S, R7E, G&SRB&M, Pinal County, Arizona, without the prior written consent of Pinal County.
- 15. Before commencing construction of Project facilities located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant shall:
  - (a) Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material adverse impacts are noted in the studies, Applicant shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant shall provide to Commission Staff reports of studies performed; and
  - (b) Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. This study should either: i) show that such outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of this study to Commission Staff.

- 12. Applicant will follow the latest Western Electricity Coordinating Council/
  North American Electric Reliability Corporation Planning standards as
  approved by the Federal Energy Regulatory Commission, and National
  Electrical Safety Code construction standards.
- 13. 16. The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to the Utilities Division Director ACC Docket Control on December 1 beginning in 20089. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office. The requirement for the self-certification shall expire on the date the Project is placed into operation.
- 17. Applicant will follow the latest Western Electricity Coordinating Council/
  North American Electric Reliability Corporation Planning standards as
  approved by the Federal Energy Regulatory Commission, and National
  Electrical Safety Code construction standards.